GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:478
ANSWERED ON:01.03.2007
SETTING UP OF AGRO FOOD PROCESSING INDUSTRIES
Maadam Shri Vikrambhai Arjanbhai

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Union Government is planning to set up agro based food processing industries in States in joint collaboration of Union Government, NDDB (National Dairy Development Board's Safal Unit) and State Government;

(b) if so, the details thereof; and

(c) by when a final decision in this regard is likely to be taken?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a) to (c): Government provides financial assistance and other incentives for setting up of food processing units. It, however, does not set up food processing units on its own for production, etc. of processed food items. However, the Government has implemented a plan scheme for Establishment/ Technology Upgradation/ Modernization of Food Processing Industries in the country. Under the Scheme, financial assistance is extended for Technology Upgradation/Modernization/Establishment of food processing units in the form of grant-in-aid to all implementing agencies @ 25% of the cost of plant and machinery and technical civil works subject to maximum of Rs. 50 lakhs in general areas or 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas such as Jammu & Kashmir, Himachal Pradesh, Uttrakhand, Sikkim and North Eastern States, Andaman & Nicobar Islands, Lakshadweep and ITDP Areas. Under the Mini Mission IV of Technology Mission for Development of Horticulture, in difficult and high horticultural potential areas, assistance at still higher rates @ 50% of the cost of plant and machinery and technical civil works subject to a maximum of Rs. 4 crore is available for processing of horticultural produce.